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THE TARIFF.

SPEECH

OF

HON. L. Q. C. LAMAR, OF MISS.,

DELIVERED IN THE HOUSE OF REPRESENTATIVES, FEB'Y 21, 1859.

The House being in the Committee of the Whole on the state of the Union—

Mr. LAMAR said:

Mr. CHAIRMAN: A question of vital importance and practical legislation is upon us; growing every day in the imperious urgency of its demand for solution, and involving not alone the honor of the Government, but its very means of continued operation. Theories of taxation have been discussed; schemes of protection or encouragement to favored interests have been pressed upon the attention of Congress; and yet the action of this House, upon the great question of equalizing the means and expenditures of Government, is not unlike the motion of that sluggish, overgrown insect, which moves its thousand legs and arms at different times and in different directions, but is incapable of one single, powerful, onward impulse. The estimates of the Secretary of the Treasury contemplate a deficiency, on the 1st of July, 1860, of nearly eight million dollars. That it is the duty of Congress to make provision, before the termination of its present session, to meet this deficiency, no one denies. How shall this be done? By a loan? by the issue of Treasury notes? or by the revision of the tariff? And if by the latter, upon what principle shall this revision be effected?

The gentleman from Ohio [Mr. STANTON] proposed, in his speech the other day, to meet this difficulty by repealing the existing tariff, and substituting in its stead a system of specific duties, in the adjustment of the details of which there shall be discriminations for what he calls protection to certain classes of American industry. In the course of his remarks he undertook to excite some merriment at the expense of the Administration, on account of the difference of opinion existing between the President and the Secretary of the Treasury. Sir, this difference is open and public. It shows that there is no affectation of harmony without, and concealed hostilities within.

I have never been a strong believer in that arbitrary doctrine that has obtained of late years in theory, though never enforced in practice, requiring a Cabinet to be a unit upon all

questions. Whatever may be its other merits, it certainly has not the authority of the earlier Administrations. Similar differences of opinion, and upon the same subject, characterized the administration of him who was "first in war, first in peace, and first in the hearts of his countrymen."

Sir, if this difference of opinion, either at this time or at any future time, shall embarrass the President or his administration, the candor and frankness which mark his character afford the most satisfactory assurance that he will be the first to communicate that fact to the Secretary; and the fidelity to principle which has hitherto distinguished the career of that Secretary, furnishes to the country ample guarantee that an intimation alone will be sufficient to relieve the President and his administration for such embarrassments.

The gentleman asserts, with great confidence, "that no party in the country has ever committed itself against discrimination for protection. Upon another occasion, when seeking to escape the irresistible deductions of the able and eloquent gentleman from Georgia, [Mr. JACKSON,] in relation to the aims and purposes of the Black Republican party, the gentleman from Ohio insisted that their published platform was the only authentic exposition of their principles and purposes. Now, sir, if he will only determine the doctrines and tenets of the Democracy by the test which he claims for his own party, he will be constrained to admit that the Democratic party is committed against the doctrine of protection, whether for protection's sake, or in the form of discriminations.

The doctrines, purposes, and arguments set forth in the speech of the gentleman of Ohio, emanating as it does from one of the acknowledged leaders of the Opposition, in my opinion demand thorough examination and exposure.

As my object is the development of truth, and not a mere triumphant reply in debate, I shall state the arguments of the gentleman in the very language in which he presented them.

In discussing the relative merits of specific and *ad valorem* duties, the gentleman says:

"In levying duties for revenue, one of the leading objects to be obtained is stability—uniformity in the amount of revenue to be derived from them. And it is especially desirable to guard, as far as possible, against the fluctuations of trade and commerce; to avoid the accumulation of a surplus in times of general prosperity and great commercial activity, or a deficiency in times of depression and stagnation in trade and commerce.

"But no invention could be devised better calculated to aggravate these very evils, than *ad valorem* duties. When times are prosperous, and trade and commerce flourishing, the *quantity* of imports is always greatest, and the prices highest. Hence the revenues are increased by the increase of the price, as well as the quantity of imports. So, on the other hand, when trade and commerce are depressed, the revenue is diminished by the falling off in the amount of imports, as well as the reduction of the amount of duties upon what is imported."

If, by uniformity of revenue, the gentleman means a certain invariable amount to be collected each year, undisturbed by the fluctuations of trade and the mutations of commerce, he will find that this "leading object" can never be accomplished by any system of import duties, whether *ad valorem* or specific. And, if he makes it a "*controlling* idea," he must be driven to the system advocated by my friend from South Carolina, [Mr. BOYCE,] direct taxation; for, sir, there is no provision possible, in any system of indirect taxation, which can guard against the reduction of price and the falling off of imports at the same time.

The decrease in the importation of dutiable articles in 1858 was almost equal, in proportion, to the depreciations in value of those which were imported. It could not be less than $80,000,000. How could specific duties supply such a reduction in the sources of revenue? I state this fact merely for the purpose of showing how utterly visionary is the gentleman's idea about a uniform and stable revenue.

I do not claim that the revenues would have diminished last year to the same extent under a specific tariff. I am not controverting the fact upon which he bases his argument against our present system. It is undeniably true that an *ad valorem* duty—that is, a duty in proportion to value—will vary with the price of the article on which it is imposed, paying more when the price of the article is enhanced, and paying less when the price of the article is reduced. It is equally true that a specific duty—that is, a fixed sum laid by the weight or measure, irrespective of value or quality—will not rise or fall with the changing price of the article upon which it is levied.

Thus, suppose the duty to be twenty per cent. upon a certain article of cloth: when the price of that article is one dollar, the duty will be twenty cents. If the price of the cloth falls to fifty cents, the duty is reduced to ten cents.

On the other hand, a specific duty of twenty cents per yard will, of course, bring in that amount, whether the price be one dollar or fifty cents. In the latter case, however, it becomes a duty of forty per cent. on the article so taxed.

But that which the gentleman makes an objection to the *ad valorem* system constitutes, in my judgment, the feature most to be commended. He does not pretend that *ad valorem* duties are inadequate to supply the revenues of the country *for a long series of years*. At the end of ten years, for instance, the amount of revenues brought in by an *ad valorem* tariff will be, confessedly, equal to that brought in by a specific tariff. But the objection of the gentleman is, that the *ad valorem* system fluctuates with the fluctuations of trade; that in a year of prosperity, when importations are large, and prices are high, the Treasury, under its operation, is embarrassed with a surplus; and that, in a year of

adversity, when importations are small, and prices are low, the Government is embarrassed with a deficiency, and compelled to resort to loans to carry on its operations.

I differ with the gentleman as to what constitutes a uniform and stable revenue of system. A system which, for a long series of years, will produce, in the average, an amount sufficient to defray all the expenses of Government, preserves all the essential requisites of uniformity and stability. If, in the accomplishment of this leading object, its principles are so fixed as to gather in the greatest amount of revenue in seasons of prosperity, when the resources of the people are abundant, and their capacity to bear taxation is greatest; and, on the other hand, lightens the burdens of taxation and gathers diminished revenues in periods of pecuniary distress, when the people are unable to buy imported goods either in large quantities, or at high prices, it is the more to be commended as a wise, salutary, and benign system of taxation.

The effect of *ad valorem* duties is to make the revenue system of the Government sustain, to the material condition of the people, the same relation which the Government itself sustains to the political opinions of the people; and as the latter represents in its action the people's sentiment and judgment, so does the former, become, under *ad valorem* duties, the faithful mirror which reflects the people's wants and necessities.

The Government is thus forced to husband its resources and curtail its expenditures, just as the people, from whom its supplies come, are compelled to economize their means and to contract their expenses. Such a system loses nothing by a comparison with that rigorous and inexorable policy which the gentleman and his party are now seeking to fasten upon the country; a system which makes Government neglect to increase its stores in times of prosperity, but throws additional burdens upon the people in a period of pecuniary distress, when bankruptcy and ruin are sweeping like a simoon through the country. To show that such is the true character of the policy which the gentleman is seeking to introduce, I will take the illustration submitted by himself:

"To see how it operates, take the article of rolled iron imported from England into the United States in 1852 and 1853. In 1852 we imported 5,060,036 cwt., at $7,300,016, or $1 44 per cwt. In 1853 we imported, 7,262,558 cwt., at $14,522,186, or $2 per cwt Under the tariff of 1846 this iron paid a duty of thirty per cent. *ad valorem*, making an aggregate of $2,190,064 of duties paid in 1852; and $4,356,655 in 1853, upon these importations.

"But it will be seen that in 1852, when the iron cost $1 44 per cwt., the duty, at thirty per cent., amounted to forty-three and one-fifth cents; while in 1853, when it cost two dollars per cwt., the duty was sixty cents per cwt.

"A specific duty of fifty cents per cwt. would, at these prices, have been about equal to an *ad valorem* duty of thirty per cent. Now, if we had had a specific duty of fifty cents per cwt. in 1852, when the importation was small,

we should have added $344,082 to the revenue for that year; and in 1853, when the importation was excessive, we should have reduced it $725,376."

I want no better illustration of the operations of that odious system, now proposed by the opponents of the Democratic party, than the one I have just quoted. To show its practical workings, the gentleman has selected the article of iron, an article of the greatest and most universal use, more essential than even tea or coffee or sugar to all classes. It has been wisely said to be the great civilizer, and, in the extent of its use, is certainly the surest evidence of civilization. Upon this all-important article, so indispensable to the working classes; used alike by farmers, mechanics, and artizans; by every man who wields a hammer or delves the earth or plows the soil; by every wife who prepares the frugal meal for the household; upon this article, the gentleman would increase the burdens of taxation, in hard times, when money is scarce, prices low, and imports small. And he complains of the present *ad valorem* tariff, because it lightened the burdens of taxation upon this article during a period of adversity and embarrassment, so as to diminish the revenues of the Government to the amount of nearly two million dollars! The fact that it more than makes up this amount in a year of abundance and prosperty, renders it still more obnoxious to the censures of the gentleman and his political associates.

I proceed to the second illustration of the gentleman:

"Take the importation of brown sugar for the years ending June 30, 1857, and June 30, 1858; and we find that there was imported, in 1857, 774,931,815 pounds, which cost $42,604,694, being five and a half cents per pound, which paid a duty of thirty per cent.; making $12,784,381 of duties paid into the Treasury.

"In 1858, the import of the same article was 517,228,624 pounds, which cost $23,317,435, being four and a half cents per pound; upon which, at thirty per cent., the duties would amount to $6,995,230." * * * *

"In 1857, therefore, there was ten per cent. more collected than would have been under a specific duty equal to the mean rate for the two years. Ten per cent. upon $63,876,003 is $6,387,600, which would leave but $57,488,403; and to that extent relieve the Treasury of the surplus with which it was burdened. In 1858, there was ten per cent. less collected than there would have been by a specific duty at the mean rates, which would amount to $4,178,961, and would have swelled the revenue from customs to the sum of $45,968,580."

I am willing that the merits of the two systems may rest upon this single article. To test his principle, the gentleman has selected an article of almost universal consumption. I hazard nothing in saying that it is used by every man, woman, and child in my district. I presume it is used by every man, woman, and child in the gentleman's district. According to the estimate of his colleague, [Mr. Cox,] in his able speech on the acquisition of Cuba, the State of Ohio has paid $6,000,000 into the Treasury, in the form of duties on sugar, since 1847. I presume the gentleman's constituents paid their proportional part of this vast amount; for it is the only article of luxury used by the toiling

millions of this country, and it has become an article of prime necessity in the nursery and the sick-room.

The system which the gentleman and his party are seeking to establish would, according to his own argument, just quoted, have *increased the taxes* upon brown sugar, amounting in the aggregate to $4,178,961 in a year of unparalleled adversity, when bankruptcy and impoverishment brooded like night over the country, and when thousands upon thousands were struggling against an adverse current to save themselves and families from abject poverty and want.

Sir, what a contrast does the gentleman's policy present to the lofty patriotism and enlarged statesmanship exhibited in the speech of his colleague, [Mr. Cox,] on territorial expansion. His colleague enters into a calculation to show how much his constituents have paid, and are now paying, upon sugar; and one of the grounds upon which he advocates the acquisition of Cuba is, that it brings to the very door of his people this article, and the other tropical productions, at prices cheaper than they are now furnished to them. But the gentleman to whom I am now replying, urged on by a reckless spirit of fanaticism against his brethren of the South, seeks not only to exclude from our limits this fair and teeming island, but would, by a harsh griping system of revenue, tax his constituents heavily upon such articles of necessity as iron and sugar; ay, sir, and increase the tax in the inverse ratio of the people's capacity to bear them. And for what? To bring in more revenue? No, sir; he cannot say that his system will produce more revenue, in a series of years, than the *ad valorem*. He cannot deny that this latter system, by operating lightly upon the people in hard times and heavily in prosperous times, supplies the deficiencies of one year with the surpluses of another. Why such a difference in political sentiment and action, between two gentlemen, representing the same people and similar interests? Mere peculiarities of individual organization will not explain such a political phenomenon. It shows that the antagonistic principles of the two parties to which they belong, have struck their roots deeply in the national mind, and still exist in undiminished vitality.

I shall show, before I conclude, that this effort to re-establish specific duties, has for its object neither an increase or uniformity of revenue.

Sir, if the consumers could only pay the duty on sugar with their products, directly to the custom-house officer, they would realize how partial and unjust is this system of specific duties. Suppose wheat to be worth one dollar a bushel, and sugar to be worth ten cents per pound: then ten bushels of wheat would buy one hundred pounds of sugar, free of duty. But say a duty of twenty per cent. is placed upon sugar: that would be

two dollars off on the hundred pounds, and the wheat grower could get but eighty pounds of sugar for his ten bushels. Now, sir, if hard times should come, and wheat should fall to fifty cents per bushel and sugar to five cents per pound, the twenty per cent. *ad valorem* duty would be only one dollar per hundred weight, and the wheat grower would still get his eighty pounds of sugar for his ten bushels of wheat. Now, instead of an *ad valorem* duty of twenty per cent., let there be an equivalent specific duty of two cents on the pound of sugar. Then, when wheat falls to fifty cents and sugar to five cents, the specific tax of two cents continues to be two dollars per hundred weight of sugar, and under its operation the wheat grower will get only sixty pounds of sugar, when, under the *ad valorem* tariff, he would have got eighty pounds. That is, the consumer loses twenty pounds of sugar by the mere substitution of a specific for an *ad valorem* duty. In addition to the twenty per cent. that he had to pay under an *ad valorem* tariff, he must pay twenty per cent. as a bounty to the sugar manufacturer. And right here is the great merit of *ad valorem* duties; they are honest and fair; they impose no greater burden than they seem to impose. They are democratic also, falling upon every rank and class of society equally, and making each pay according to the value of the article which he purchases. The system is based upon equality—"equality of benefits and equality of burdens." Hence, sir, in those States in which the Democratic party is in the ascendant, the *ad valorem* principle is generally observed in their taxation.

But I said that I would show the object of this war upon *ad valorem* duties. To do this, I have only to refer to the speech of the gentleman from Pennsylvania, [Mr. MONTGOMERY,] who has just taken his seat. Indeed, all the advocates of specific duties declare their object to be "*a little more protection.*" I quote again the gentleman from Ohio:

"The tariff of 1857 is a sliding scale against uniformity in the revenue, as well as against protection." * * * * "Let me illustrate for a moment its operation on our manufactures. Suppose railroad iron may be manufactured in Birmingham, England, and brought to New York, at forty dollars per ton, and that it may be manufactured in Pennsylvania at fifty dollars per ton: by a duty of twenty-five per cent., which is equal to ten dollars per ton, you put the foreign and domestic manufacturer upon an equal footing, and enable them to go into the American market in competition, *so long as the cost of production remains the same.* But if the foreign cost should be raised to forty-five dollars, the duty goes up to $11 25, when the domestic manufacturer only needs a duty of five dollars per ton to afford him adequate protection. But suppose the cost of the foreign article goes down to thirty-five dollars: the duty goes down to $8 75, and it can be sold, after paying the duty, at $43 75; and consequently the American manufacturer is driven from the market. When he has the least need of protection, the duty is the highest; and when he has most need of it, the duty is the lowest."

Ad valorem duties fail to afford protection to the manufacturer

of iron when it is most needed! *Hinc illæ lachrymæ!* Why, sir, is not that calamity quite common to all classes, which makes the manufacturer "need protection?" And what right have these manufacturers, through their representatives, to demand of this Government any advantage over the grain growers of the West, or the cotton planters of the South, or the merchants and the mechanics and the farmers of the whole country, who suffer equally with them from a decline of prices? He seems to think that the Government is bound to tax all other classes for the benefit of the manufacturers; and that that system of taxation shall be so fixed as to be heaviest when those other classes are least able to bear it.

His whole theory is wrong. There is, sir, no "sliding scale" in an *ad valorem* tariff, either against protection or against revenue. A duty of twenty per cent. is the same, whether the price be high or low. Twenty per cent. on $100 worth of iron is $20, whether the price on iron be $50 or $30 per ton. But you *do* have "a sliding scale" in your specific system, with a vengeance. Suppose, again, that a bushel of wheat, in the year of abundance, to which the gentleman has referred, was worth $1, and that iron was worth $50 per ton, the duty being twenty per cent., which is equal to $10 per ton: in that case, sixty bushels of wheat would buy a ton of iron. But suppose a revulsion comes upon the country, bringing wheat down to fifty cents a bushel, and iron to $25 a ton: the duty is $5; so that sixty bushels of wheat will still buy a ton of iron. But make this duty a specific one of $10 a ton; and when wheat falls to fifty cents a bushel and iron to $25 a ton, the specific duty remaining at $10, iron will be worth $35 a ton; so that when the wheat-grower is suffering most, and is least able to make his purchases, it will require seventy bushels, instead of sixty, to purchase the same amount of iron. In other words, in addition to the ten per cent. which he paid under the *ad valorem* tariff, he will be compelled to pay ten bushels more of wheat as a bounty to the iron manufacturer.

Thus it is, sir, that, in a period of general distress and suffering, a specific duty, which purports to be a duty of twenty per cent., becomes, in reality, a duty of forty per cent. In the gentleman's view, this is all fair and just and right; because there has been a decline in prices, and the manufacturer is suffering with hard times. But mechanics, farmers, merchants, and all other classes of society, must not only suffer from the hard times, but they must also suffer under the superadded load of increased Government taxation for the protection of the manufacturer. Sir, the planter of the South suffers more from a revulsion and needs protection more during such a period than the manufacturer of the North. At a period like the one stated, he is compelled to furnish his laborers with comfortable homes, liberal supplies of

food and raiment, and medical attendance to those that are sick. But the manufacturer, the instant he feels the pressure upon him, can dismiss his operatives; turn them out, without food, or raiment, or shelter from the pitiless storm, so far as he is concerned. He can suspend his business until a time when his profits will reach their former prodigious figure.

Now, sir, suppose the policy reversed. Suppose the agriculturists of my State, when cotton falls from fourteen to eight cents, and the wheat and wool growers of the West, when their productions fall in like proportion, should claim from the other classes, and especially from the manufacturing class, a bounty sufficient to make up the deficit: what a yell and howl of rage would we hear coming from that quarter now so clamorous for plunder! And this reminds me of a remark which I once heard made, characterizing these two interests. It was, that the agricultural interest was like a flock of sheep, which may be shorn of its fleece without evincing the least resistance, or giving forth the faintest bleat of distress; and that the manufacturing class was like a drove of hogs; you cannot pull the bristles of a single one without throwing the whole herd into commotion.

Mr. Chairman, imagine, if you can, the disastrous effects of this system of specifics and protection incorporated into the direct taxation of a State. Suppose that a specific tax was imposed on land, so that the most valuable city lot should pay no more than a sterile field, worth but five dollars per acre: a certain sum on houses, so that the palatial residence of a rich nabob should pay no more than the rude hamlet of the humble day-laborer. Now, add to this the protective feature. Let a farmer, who has made his crop of wheat, say to himself: "I will buy cloth with this sack of wheat for my children's clothes." He goes to the manufacturer, who offers him fifteen yards of cloth for his sack of wheat. A manufacturer from another country, says: "I will sell you twenty yards of cloth for your wheat, because we can afford to weave cloth cheaper than they can here." The farmer is ready to close the trade, when the tax-gatherer approaches, and says: "You may buy the fifteen yards of the home manufacturer; but if you buy of this other, you must forfeit to me six yards of your cloth." He would exclaim: "Why should not my little ones have what the hard-earned product of my labor brings them?" The reply would be: "We wish to protect our home manufacturer from foreign competition."

Sir, if such a system was enforced in the district of the gentleman from Ohio, a consuming flame of indignation would spread over the entire country. The principle is the same. The gentleman is advocating a system of spoliation upon his neighbors, for the benefit of the iron manufacturer of Pennsylvania and the sugar planter of Louisiana. If it were not disguised, if its hide-

ous features could only be exposed, through the veil with which it is attempted to conceal them, the condemnation of his people would fall upon him like the scathing lightning of heaven. The direct tendency of the system, its inevitable effect, and its avowed object, is to convert this Government into a vast insurance company, for the purpose of insuring not the *property*, but the *profits* and the *income* of the manufacturers, at the expense of every other class of society. For every scheme hitherto adopted to increase, by positive legislation, the profits of certain favored branches of American capital, without, to that very extent, injuring the other less favored branches, has proved as fruitless and unavailing as the attempts of the daughters of Danaus to draw water with perforated buckets.

I proceed to notice the objections urged by the gentleman from Ohio to *ad valorem* duties. The gentleman says:

"But there is another evil which attends *ad valorem* duties that is more disastrous to the revenue, as well as to domestic producers, than the one to which I have alluded. That is, the frauds that are practiced by undervaluation at our custom-houses."

Now, sir, I shall not repeat the argument showing that specific duties are subject to the same embarrassment, and that it is just as easy to practice fraud upon the Government in relation to the *quantity* as to the *quality* of imported goods. I propose to examine some of the cases cited by him, to show the existence of those gross frauds practiced by undervaluation at our custom-houses. I quote from the gentleman's speech:

"The United States reports on commerce and navigation for 1853–54–55, show an import of 438,650 tons of guano, at an aggregate value of $1,248,587, or about $3 25 per ton, while the lowest price paid at the Chincha Islands is from twenty to twenty-five dollars per ton."

This certainly discloses a most appalling disparity between the price as shown by our custom-house returns, and the price which the gentleman says the article bears at the Chincha Islands.

If the gentleman can show that this discrepancy grows out of *ad valorem* duties, it will be perhaps a conclusive proof of his proposition. But, sir, there is one fact which makes this very example scatter to the winds all of his arguments based upon the difference between the amount of articles imported into this country as shown by our custom-house returns, and the amount as shown by foreign custom-house returns. Sir, *guano is entirely free from duty*. The difference of the price, as reported here, from what it bears at the Chincha Islands, if there be any difference, is brought about by causes totally disconnected with tariff operations, either *ad valorem* or specific. What these causes are, it is needless to discuss here. The article of guano is the only one which the gentleman has selected that bears a specific price; all the others are reported at an average price.

This vast falling off in the reported price of an article having no duty upon it at all, shows that, if it had been imported subject to duty, and there had been a necessity for an appraisement, under oath, (and under heavy penalties,) by the custom-house officers, the result would have been different and the disparity not so great.

I quote again from the gentleman:

"Tables are given, in the Commercial Relations, of imports from various countries, according to our custom-house returns and the custom-house returns of the countries from which they come, and, in every instance, the amount shown by the foreign custom-house returns greatly exceeds the amount shown by ours."

Sir, I am astonished that a gentleman usually so accurate, should have ventured an assertion so incautious and erroneous. Why, sir, the document from which the gentleman quotes, shows that the exports from Great Britain to this country, as stated in their tables, fall far below our imports from Great Britain, as exhibited in our tables. By examining the statement of the Secretary of the Treasury, sent to this House, exhibiting the value of iron and manufactures of iron imported into this country from Great Britain, it will be seen that the amount, as set forth in our custom-house returns, exceeds very considerably the amount as shown by the British custom-house returns. How can the gentleman reconcile this fact with his unqualified assertion that, "*in every instance*, the amount shown by the foreign custom-house returns exceeds the amount shown by ours?" Why did the gentleman omit to mention iron and iron manufactures? That is the very interest which is clamoring for protection.

Mr. STANTON. Our custom-house returns do not show the quantity of every description of iron. They only show the the quantity of some sorts. Hence it is impossible to make the comparison as to the average value of the manufactures of iron.

Mr. LAMAR. The gentleman says that our custom-house returns do not show the *quantity* of iron. That does not relieve him. We are not discussing the question of *quantity*, but the *value* of imports. And the gentleman charges *undervaluation* at our custom-house returns, by which the revenue is defrauded. I show that the aggregate value of iron imported into our country from Great Britain is greater, according to our custom-house returns, than it is according to her custom-house returns.

Mr. STANTON. I found the custom-house returns, as to value—aggregate value—wholly unreliable. I based my calculations upon a comparison of the value per ton, per gallon, or whatever it may be. Aggregates are unreliable; but when you find an article is imported at so much per ton, and so much per gallon, and you find the same article is valued at so much per ton, and so much per gallon, it furnishes a ground of comparison; and it is the only ground I rely upon.

Mr. LAMAR. Why are the returns of our custom-houses as to *aggregate* value more unreliable than as to *average* value? There can be no reason for it; and it is an assumption of the gentleman's. If the aggregate value of the article, as shown by our custom-house returns, exceeds that stated in the foreign custom-house returns, the question of undervaluation on that article is put to rest; and there is no necessity for an examination into the average value per ton, or per gallon.

But, I will bring to the attention of the gentleman, before I sit down, a case which will silence him upon this point. But first, let me take the next illustration which he has recited:

"It shows that, according to the English custom-house returns, we imported from England, in the years 1853–54–55–56 and 1857, 115,276 guns, at $8 05 each, amounting to $928,394 28. According to our custom-house returns, we imported for the same years 35,580 guns, at $5 98 each, amounting to $213,088, showing an undervaluation on the guns, according to our custom-house returns, of $73,650 60. By the tariff of 1846, which was then in force, they were chargeable with a duty of thirty per cent., making a loss to the revenue on this single article of $22,095 18."

It is true that there is here a considerable reduction in the average value of this article of guns. But, sir, does it follow that this result is to be attributed to the *ad valorem* tariff on guns?

Why, sir, the falling off in the *number* of guns is much greater than the depreciation of value per gun. How do you account for that?

The falling off in the *number* of guns, which the gentleman does not pretend grows out of the *ad valorem* principle, is as 115,276 to 35,580, while the reduction in value was as $8 05 to $5 98.

This reduced number of guns imported, according to our custom-house returns, proves conclusively that there is some other cause than taxation; certainly some other cause than *ad valorem* taxation, produces such variances.

But, sir, let us proceed to the next example of the gentleman:

"The French custom-house returns also show that, for the years 1853–54 and 1855, there was exported from France to the United States, 3,393,130 gallons of distilled liquors, valued at the French custom-house at $5,883,559, or $1 70 per gallon.

"The United States custom-house returns show that, for the same years, we imported from France 6,911,124 gallons of distilled liquors, valued at our custom-houses at $6,758,100, or 90 cents per gallon.

"By the tariff of 1846, under which these importations were made, distilled liquors were subject to a duty of one hundred per cent. The loss by undervaluation of 6,911,124 gallons, shown by our custom-house returns, at eighty cents per gallon, which is the difference between the French valuation and ours, is $5,528,899, and the duties at one hundred per cent. amounted to the same sum, showing the loss to the revenue to be $5,528,899."

Now, sir, I respectfully submit to the House, if the gentleman does not, in this case, refute the proposition with which he start-

ed—that "*in every instance* the amount shown by the custom-house returns greatly exceeds the amount shown by ours." Here is a specific instance brought forward by the gentleman himself, where our custom-house returns show not merely an increase of double the amount of importations over the custom-house returns of France, but an increase in value of nearly $1,000,000. The calculation of a loss to the revenue of $5,528,899 is simply ridiculous.

The great difference between the custom-house returns of the two countries, as to this article, may be very satisfactorily explained. It is well known that the manufacturers of liquors in this country—cheap, drug liquors—export them for the very purpose of importing them as French distilled liquors. The article, being of inferior quality, is entered at low rates, and thus reduces the average value per gallon on the whole amount brought in. The result is accounted for without imputing fraud either upon the part of importer or appraiser.

Mr. TRIPPE. Do you mean to say that it is not a fraud to import those poisonous liquors as fine French brandy? [Laughter.]

Mr. LAMAR. Oh, yes, it is a fraud upon the consumers of the article; but not upon the revenue, inasmuch as it increases that.

Mr. JACKSON. If it be a fraud upon the consumer, my colleague has a right to be indignant. [Laughter.]

Mr. TRIPPE. Certainly I have, sir; but it is in behalf of my suffering friends, among whom I include my colleague, the gentleman from Mississippi, and yourself, Mr. Chairman. [Laughter.]

The CHAIRMAN. Does the gentleman from Mississippi yield the floor to the two gentlemen from Georgia?

Mr. LAMAR. No, sir; I cannot now discuss the private griefs of my two friends from Georgia. I would suggest, however, that the temperance pledge is a better security against the frauds of which they complain than a revision of the tariff, which I am now discussing.

I think, Mr. Chairman, that I have succeeded in showing that the illustrations brought forward by which the gentleman himself, disprove the charge which he makes of frauds practiced under the *ad valorem* system at our custom-houses. But there is a significant fact connected with this subject, which the gentleman has omitted. Great stress has been placed upon the fact that the English tariff is a specific one. By comparing the tables of Great Britain and France, it will be found that, according to the French tables for 1857, their exports to Great Britain exceeded by more than double the amount which the tables of Great Britain show, of imports from France for the same

period. Will the gentleman attribute this enormous discrepancy "to frauds practiced at the custom-houses" of Great Britain? I attribute it to no such cause; but I state the fact to show that if taxation has anything to do with it, the specific system is more subject to the evil than the *ad valorem* system.

Returning to his favorite theme of protection, the gentleman undertakes to reply to the remark made by the member from Virginia, [Mr. MILLSON,] that all political science is against protection. I give his words:

"It might, perhaps, be sufficient to say, in reply to this, that 'all history and all experience are in favor of it.'

"It will be remembered that, a very few years ago, the question of the practicability of navigating the ocean in vessels propelled by steam was very much discussed by scientific men. The amount of fuel required to propel a vessel a given distance, and the capacity of a vessel to carry the amount required, were all calculated, with every other element that could enter into the question, upon purely scientific principles, by the first scientific men of the country, and it was finally settled that it was wholly impracticable, and that no more time or money should be spent in experimenting upon the subject. But just as the question was fully and finally settled, and the decision promulgated to the world, one fine morning in June the steamer Sirius, from Liverpool, came steaming up the bay and anchored in the harbor of New York.

"The scientific demonstration still stands. No man has been able to disprove or answer it. But the trouble is, that men will go all over the world in steamships in spite of it. It is very much so with the science of political economy.

"It is now nearly a century since Adam Smith and Say and Ricardo demonstrated that protection was injurious to every country that had adopted it, and must ultimately work its ruin. But in spite of this demonstration, nations have gone on, protecting the industry of their people."

Sir, the gentleman is as much at fault in his reference to the science of navigation as he is in his reference to the science of political economy. It was never demonstrated that the application of steam to machinery was impracticable. Long, sir, before the motive power of steam was practically illustrated, it was enunciated as a philosophical principle; and its discovery was due to researches prompted by a pure love of abstract truth. So far from having philosophy against it, the great impediments it had overcome were the objections of your self-styled practical men, "that all history and all experience" were against its practicability.

Sir, in attempting to discredit the great truths of political economy, the gentleman is only resorting to an ancient error, with which empiricism has ever sought to shut out the lights of reason and the teachings of philosophy. He seems to forget that all which is of value around him—the institutions under which he lives, even the appliances by which the powers of nature are made to minister to his material wants—were once but speculative theories wrought out in a philosopher's brain; "thoughts converted into facts." If it be true that the doctrine of protection is fixed in the legislation of European nations, in defiance of the fundamental axioms of political economy, it is because the

Governments of those nations are so constructed as to give the selfish few uncontrolled sway and power over the rights and interests of the unprotected many to whom they are irresponsible.

The gentleman points us to the case of England; and his rhetoric grows almost drunk in the excitement of his admiration of her magnificent Government, her world-wide commerce, the pomp and luxury of her higher classes, her merchant princes, her splendid cities, her great standing army, "whose morning drum-beat is never still." The gentleman has doubtless derived his views of political economy from that Government. I would, if I could, turn his attention from all this pomp and magnificence of government, to the abject condition of the toiling millions, upon the fruits of whose daily and yearly labor, wrested from them by unjust legislation, this splendid superstructure rears its aspiring head. Let him look to the fact that all this wealth is amassed by pauperizing the great body of the people; that this magnificent army is sustained by enormous taxation, the larger part of which is paid as salaries to her generals, the sprigs of her nobility; while the common soldier, who fights her battles in India, receives a compensation less to the year than our own soldier receives by the month. Let him bear in mind that one man in every seven, in England, is a pauper. Let him go back to the time when "one million of her operatives struck work and stood silent, moody because there was no work for them to do." Let him look to Ireland, "that withered, distorted member" of her empire, writhing under all the oppression which corruption can invent and tyranny inflict. Let him look at the condition of the toiling millions of France, who are but little better off. Let him look at Belgium, which is much the same; and to many of the German States, which are progressing rapidly to the same point. Then, sir, let him say, if he can, that we shall adopt their system.

But, sir, it is nevertheless true, that in proportion as the Government of England is becoming more free, she is striking off the shackles from her commerce, and relieving her people from the blighting effects of the restrictive system. She has abrogated her system of navigation laws which excited so much of the gentleman's admiration. For years past——

Mr. STANTON. Seven years.

Mr. LAMAR. Yes, sir; whilst we are adhering to the narrow, contracted monopoly established by our navigation laws, England has thrown open her coasting trade to the world. Since Sir Robert Peel broke down the famous corn laws, the protective system is fast giving way, and will finally yield to the irresistible current of public opinion.

But the gentleman and his party, instead of following these

reforms which the spirit of liberty is introducing into that country, would cling to the old abuses which she is sloughing off.

If I do not mistake the indications around me, there is a determination to take advantage of the temporary deficiency of the revenues; and, under the pretext of revising the tariff, to re-establish the protective policy. As long as there is a prospect of success to these schemes, I shall resist any such revision. Sir, we can provide for this deficiency by adopting a measure, which was always a favorite mode with such Democrats as Calhoun, Woodbury, and Benton, of avoiding the necessity of high tariffs. We can issue Treasury notes, with the full assurance that our present system will, in a time of prosperity, bring us revenue sufficient to meet the current expenses of that period, and secure the redemption of our notes besides. This is manifest from the argument of our opponents, that it gives us a deficiency in times of adversity, and a surplus in times of prosperity.

Those of us who take this position are called factious and pragmatical. The gentleman who has just taken his seat, says that my from Virginia [Mr. GARNETT] is fighting under a sectional banner and on a sectional platform. Sir, no platform is sectional whose principles are national. For one, I thank the gentleman from Virginia for the unconquerable intrepidity with which he has battled for economy and retrenchment. In defending the Constitution of the country and the rights of the people against the rapacious demands of the mercenary capitalists from the manufacturing States, he is but carrying out principles embodied in the platform of the national Democracy—a platform which forbids the General Government to foster one branch of industry to the detriment of any other, and makes it the duty of every branch of Government to enforce and practice the most rigid economy in conducting our public affairs.

Let our opponents make the issue. I feel that I can speak for the high-minded, generous, and open-hearted planters and farmers and mechanics of the young and glorious Commonwealth of Mississippi. They ask for no protection in the shape of Government bounties; no advantages resulting from a violation of the Constitution; no benefits which they would not see freely administered to all, and no exemption from that equal portion of public burden which it is their duty to bear. They are ready to stand, sdoulder to shoulder, hand to hand, and heart to heart, with their Democratic brethren of the North and of the mighty West, who, friends of free trade, honest legislation, and constitutional liberty, are determined to bring back the Government to its original purity, simplicity, and economy.

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